

Evansville Courier

Editorial: Democratic Detour

The Issue: Dems offer a counter plan for state highways. Our View: Proposal is weak and would do far fewer projects.

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Democratic lawmakers have come up with a counter proposal to Gov. Mitch Daniels' massive "Major Moves" highway plan. But the Democrats' proposal, which relies on bonding, borrowing against future federal funding, and toll increases, fails to measure up.

The Democratic plan, similar to one offered two years ago by then-Gov. Joe Kernan, a Democrat, would raise far less revenue for state highways than Daniels' plan.

And, at the end of day, Indiana would still be responsible for maintaining and improving the Indiana Toll Road. Right now, that's said to be close to a break-even proposition. If you increase tolls to fund the Democratic plan, you still have to maintain and improve the toll road.

On that point alone, the best bid for privatizing the Indiana Toll Road includes a provision for the private operator to spend \$226 million for immediate improvements and \$4.4 billion for capital improvements over the life of the 75-year lease.

Of course, our interest in Southwestern Indiana goes in part to the proposed construction of direct Interstate 69. Daniels' plan would allow both for privatization and tolls on I-69, and is based on the intention to begin construction in 2008, not 10 years later.

However, it doesn't take a local interest to see that Daniels' plan is a win-win for transportation and the economy statewide, and is far superior to the Democrats' proposal. The private operator would pay \$3.85 billion up front, to be spent on multiple highway projects, with funds left over to invest for long-range roadwork.

Compare that with the Democratic plan. Democrats estimate it would raise \$1.6 billion, with half coming from bonds to be paid off from increased tolls. The rest of the revenues would come from borrowing against future federal highway money, which would also be paid off in 20 years.

Indiana gets less than half the revenue, goes into debt, can't do nearly the number of road projects, and still must perform maintenance and improvements, all to keep a foreign professional highway operator from running the Indiana Toll Road. As to the criticism from some that they don't want a Spanish-Australian consortium operating a state highway, we would point out that Southern Indiana has done well by Toyota, a Japanese company.

The only value we can see in the Democratic plan is political and partisan. It may serve as a tactic for slowing or stopping Daniels from getting credit for a high-speed plan that would revolutionize highway construction in Indiana.

Indiana needed a minimum \$2 billion bid to tackle some of the major projects long on the Indiana Department of Transportation books. If the legislation is passed, and the bid accepted, Indiana would be able to modernize U.S. 31 between Indianapolis and South Bend, complete the Hoosier Heartland highway between Lafayette and Fort Wayne, and build two Ohio River bridges. Daniels has said that Indiana could complete 130 transportation projects throughout the state with \$2.8 billion.

That's a staggering number of projects. Let's not find ourselves nine months from now in a fall election campaign with legislative candidates for re-election trying to explain why it was a good idea to quash many of those projects that benefit local districts.

Some have asked, with that high a bid, should I-69 still be a privatized toll road? Part of the justification would be for the continued maintenance of I-69, something Indiana doesn't do particularly well. As plans are now, it would be the only road other than the Indiana Toll Road to be privatized and have tolls. The legislation that must be passed out of the House by Tuesday only puts in place the mechanics that would allow the state to proceed with privatization and construction of I-69.

Regardless, it is a fair question that can be explored later, but it is no justification for ambushing Daniels' plan. We fail to see any valid reason - and surely not the Democrats' alternative - why the Indiana House should not allow Daniels' highway plan to go forward. HHH

If you want to contact your legislators on this, or any other issue, you can call them toll-free in Indianapolis. Call your House representative at (800) 382-9842 or your senator at (800) 382-9467. You can find their e-mail addresses at www.in.gov/legislative/contact/index.html

